

MOI version 5.0

Models of Impact

Glossary



MODELSOFIMPACT.CO



Revenue Models:

A revenue model is a method for generating income in a sustainable manner. The models presented here are actively used in the private, public, and social sectors.

A

Add-On: “Would you like fries with that?” An add-on is a sale of additional goods or services to a buyer.

Adoption: A public initiative that allows businesses, individuals, organizations, or community groups to become sponsors of a specific section of a roadside within the highway system, sections of a stream, or sections of other public spaces. In an adopt-a-mile program, for example, there is a financial exchange in which the sponsor receives advertisement placement in the roadside section they choose to sponsor. *Public Sector*

Advertising/Advertisement: In general, advertisements are a public display/notice that aims to promote the goods and services of a business, organization, or individual. Advertisements are displayed in/on newspapers, billboards, software applications, websites, social media, and more. To receive placement, the interested party typically works with a “media buyer” in order to determine the best location/method for displaying the promotion in order to optimize the return on investment based on the demographics that inhabit the space. An advertising agency coordinates this sale as well as the development of the content and imagery to be included in the advertisement. *Saatchi&Saatchi, DDB, Wieden + Kennedy.*

Affiliate Programs: A model prominent in Influencer Marketing in which an influencer/identified affiliate for a product or service’s campaign will be given a link or referral ID that allows them to make a small percentage of every sale that originates from them.

Angel Investment (Funding Model): Similar to Venture Capital, Angel Investment is an exchange of equity for capital, but instead of the resources coming from a firm, the funding is provided by an individual.

Asset Sales: The sale of goods owned by the government. *Public Sector*

Auction: A revenue model in which one or more items are offered for sale in a public setting, or at a private event/fundraiser. Auction items will typically have a recommended price, but the eventual cost of the product is determined via the participants/guests attending the auction. Guests interested in an item will place a “bid” on an item which indicates the number they are willing to pay for the item, and the highest bidder earns the ability to complete the purchase. *eBay.*

B

Bait-and-Switch: Typically considered a scam, bait-and-switch is a revenue model in which a customer is drawn to a product that, in reality is not of the quality that is expected, or is out-of-stock. This provides the opportunity for a sales team to provide other options that are typically provided at a higher cost to consumers.

B2B (Business to Business): A general model of business in which all transactions and product/services are designed to be made directly from one business to another business.

B2C (Business to Consumer): A general model of business in which all transactions and product/services are designed to be made directly from a business to a consumer.

Bank Loan (Funding Model): A funding model in which businesses and entrepreneurs can receive access to capital in exchange for an added interest or collateral guarantee to mitigate risk.

Benefit Corporation: A benefit corporation is a new class of corporation that voluntarily meets the different standards of corporate purpose, accountability, and transparency.

BOGOF: Buy One, Get One Free (also referred to as the BOGOF model) is a temporary/time-based promotional model in which consumers purchase one product and/or service, and receive a second product and/or service that holds equal or lesser value to the original purchase.

Boot-Strapping (Funding Model): A funding model in which the entrepreneur or business is built upon the Founder’s savings, or other resources to allow for a successful launch..

Buy One, Get One Half Off: Buy One, Get One Half Off (occasionally referred to as the BOGOHF model) is

a temporary/time-based promotional model in which consumers purchase one product and/or service, and receive a second product and/or service that holds equal value to the original purchase at a 50% discount.

C

Citations (General): In general, a citation, is a notice to pay a fine, or to appear in court due to a conflict with the law, or with posted signage. Citations may be received for a traffic or ordinance violation, such as the Sit/lie ordinance. *Public Sector*

Civic Incubator Programs: Programs within local or federal government that invite staff and/or social/private sector partners to develop new solutions for government initiatives. While the solutions often contribute to the impact model of a government, they may also include approaches to minimizing cost, or generating income. *18F, Code for America, WeHoX. Public Sector*

Commission: An agreement in which an individual or business is compensated in exchange for finding and securing new business opportunities for another business or individual.

Convertible Note (Funding Model): A funding model in which the lender receives an equity stake in the borrower's business as opposed to added interest.

Corruption: Usually associated with individuals, and not with institutions themselves. Examples include cronyism, kickbacks, in-kind favors/ quid pro quo, etc. Crony capitalism is a term describing an economy in which success in business depends on close relationships between business people and government officials. It may be exhibited by favoritism in the distribution of legal permits, government grants, special tax breaks, or other forms of state interventionism. *Public Sector*

Cost Cutting: Building revenue by cutting costs from improved resource and operational efficiency.

Coupons: Coupons are advertisements that, when redeemed by the recipient, serve as a form of currency in order to allow the consumer to obtain a good or service for free, or for a reduced price. Coupons come in many shapes and sizes, but entered the mainstream consumer culture in the mid-20th Century. 10% Off, 25% Off, and 50% Off are examples of the kinds of discounts offered via coupons on a regular basis. *Coca Cola, Valpak, The Nielsen Coupon Clearing House.*

Cross-Subsidy: A revenue model/pricing structure in which the purchases of a consumer directly fund another product/initiative of the brand they are buying into without them realizing it. Put simply, a cross-subsidy is what happens when one thing pays for another thing. *Microsoft/XBOX, Sony/PlayStation, Gillette Razors.*

Crowd-Funding: A method of fundraising that activates a large group of people (the "crowd") to make a mass of small donations/purchases that collectively fund a project or initiative. *Start Some Good, Kickstarter, IndieGoGo, Patreon, Groundswell.*

D

Day Rate: A structure for paying for a service-provider's work. A Day Rate tends to represent 8-12 hours of work, and is most commonly used in the entertainment industry, specifically with film, photography, or editing.

Deposit: Up-front payment as a means of securing cash flow ahead of an engagement's total completion.

Donations: The giving of necessary funds, in-kind services, or goods to a non-profit organization or community cause in exchange for a charitable deduction receipt that is written off at the end of each tax year by an individual or company/collective.

Digital Downloads: A sub-model within the greater eCommerce umbrella in which a consumer is purchasing a product in the form of a downloadable digital file as opposed to a physical product that requires shipment and postage. *iTunes, GumRoad.*

Distributed Outsourcing: A revenue and management model leveraged by service-providers in which a client request/engagement is not physically executed by the company on contract, but instead is managed by said company, and is passed down to a network of partner companies and/or freelancing individuals.

E

eCommerce: Originally short for "electronic commerce", eCommerce is a revenue model leveraged for the sale of digital or physical products in which the transaction and customer information are being transferred over the Internet. *Amazon.*

Ecosystem: The creation of hardware that develops and incorporates software only compatible with the same hardware platform. *Apple, Android.*

Endowment: A donated sum of money or property to a non-profit organization that uses the income generated from interest for a specific purpose.

Event Tickets: Event Ticketing is a common revenue model leveraged across sectors and industries in the context of a celebratory event, a public/private show for entertainment purposes, and/or a fundraiser. Non-profit organizations typically host one large event per year, also known as a “gala”.

Excise Tax: Like a sales tax, an excise tax is paid in conjunction with the purchase of a physical good. However, an excise tax is often included in the price of a specific product (like gasoline, cigarettes, alcohol, etc.), and as a result is an indirect tax. [Public Sector](#)

F

Franchise: A revenue model in which a business is replicated across multiple locations by different business owners in exchange for an upfront fee and/or percentage of sales or profit. [Subway](#), [Taco Bell](#).

Freemium: Originally known as “crippleware”, the Freemium model offers users with multiple tiers of packages for a product, with one of those tiers always being free. Most commonly leveraged in the digital space, the free tier includes a limited amount of features, while the paid tiers offer a substantially more robust experience/suite of features. [DropBox](#), [LinkedIn](#).

Free Sample: Leveraged by department stores and grocery stores most commonly, Free Samples allow a consumer to obtain a small portion of a new product/service at no cost in order to inspire them to buy-in to the full service/product offering. [COSTCO](#).

Friends & Family (Funding Model): A funding model in which the business is initially financed through a trusted group of family members and friends instead of a third-party or bank.

G

G2B (Government-to-Business): A general model of business/collaboration/partnership in which all transactions and product/services are designed to be made directly from one business to another government (or vice-versa). [Public Sector](#)

H

Hourly Rate: A structure for paying for a service-provider’s work. Typically when someone is working on an hourly rate, it is for a small job, or for maintenance, and an estimate of hours is provided prior to commencement.

Hybrid Organizations: A hybrid organization is an organization that mixes elements, value systems and action logics of various sectors of society. Many of the models featured here would be considered “hybrid.” [Hewlett-Packard Company Foundation](#), [Greystone Foundation](#).

I

ICO: Initial Coin Offering. A type of funding using cryptocurrencies.

In-App Purchases: An In-App-Purchase is a monetary exchange, and an exchange customer information that takes place within a free or paid app in order to access more features, game levels, or content. In-App Purchases are often recognized as a mobile form of the “freemium” model [Pokerist](#), [VSCO](#).

Income Tax (Corporate): Tax levied by a government directly on the income of a corporation, especially an annual tax on money earned, after standard and legal deductions from the cost of doing business, or charitable donations. [Public Sector](#)

Income Tax (Individual): Tax levied by a government directly on the income of an individual or household, especially an annual tax on money earned, after standard and legal deductions (including charitable donations, equipment, etc.). [Public Sector](#)

Indirect Benefit/Profit Sharing: Sharing a percentage of profits generated by environmental restoration efforts or sustainable actions. For example, property prices go up in an area where the environment has been restored. The service provider who restores the surrounding environment can share this increase in future property prices.

Issuing Bonds: Governments and borrowers issue bonds in order to raise money from investors who are willing to lend them money for a set period of time. Bonds are similar to an “IOU”, a form of debt security. [Public Sector](#)

L

Legalization and Regulation: The legalization and regulation of any former vice that then become legal and taxable. For example, should marijuana be legalized in the United States, the associated taxes and growing licenses are estimated to generate as much as \$28 Billion in revenue. [Public Sector](#)

Lending Circles: A lending circle is a small group of individuals who contribute a small amount of money on a monthly basis in order to build a bank of resources that the group can ultimately share with one-another. Each month, a different individual from the lending circle gains access to the capital raised by the group that month. This cycle continues until every borrower/lender has gotten a chance to access the funds. [Mexican American Opportunity Foundation \(MAOF\)](#).

M

Marketplace: A shared platform or space that connects an audience of buyers with sellers. [Amazon](#), [Walmart](#).

Membership/Subscription: The membership/subscription model allows an exclusive community of members and/or subscribers to earn access to recurring goods and/or services and/or access. Membership is often in reference to a physical community space whereas Subscription is often in reference to a regularly delivered set of physical products or digital products/content. For businesses, Membership/Subscription ensures recurring revenue and/or recurring engagement. Most commonly, there are multiple “tiers” that create a community which are defined by the amount of access each member/subscriber is granted as well as the amount of money they pay on a recurring basis. [Loot Crate](#), [GOOD Magazine](#).

Motor Vehicle License Tax: Based on the sale price of a vehicle, A motor vehicle license tax is assessed at the time of initial registration, and is continued to be paid annually. [Public Sector](#)

N

Natural Resource Sales and Services: The sale of natural resources. For example, a petrodollar is a form/unit of currency that is earned by a country from the export of petroleum. There are numerous occasions of water and natural gas permits being issued in or adjacent to National Parks. [Public Sector](#)

Non-Profit Organization: A non-profit organization is an organization that holds a tax-exempt status due to its

proven ability to further a religious, charitable, scientific, literary, educational, public safety, amateur sports, or cruelty prevention purpose. The organization must also provide a public benefit. Non-profit organizations survive with a model that relies on grants, public fundraising campaigns, and/or private donations. [The American Red Cross](#), [Amnesty International](#), [Human Rights Campaign](#), [National Resource Defense Council](#).

O

Overages: A structure for paying for a service-provider's work. Most commonly used in conjunction with a Project/Flat Rate, overages represent an additional billable set of hours or scope for work that was produced by a service-provider which was not included in the original scope that both parties agreed upon.

P

Parking Permits: In certain communities, the availability of parking is limited to those who purchase a parking permit on either a monthly, or annual basis. These permits may be acquired to allow for overnight parking, parking an oversized vehicle, or other circumstances. [Public Sector](#)

Parking Tickets: A citation issued by parking enforcement for illegally parked vehicles. The citation is most commonly attached to a car windshield, and parking tickets often generate significant income for a city. For example, in 2013, Chicago made close to \$176 million from parking violations. [Public Sector](#)

Partnerships: Partnerships can take place in a wide range of contexts depending on the agenda and formality of the partnership. For a business, a partnership can be as formal as a split in day-to-day operations, or as informal as a one-off partnership for a product or event between two businesses, two individuals, or a business and an individual. In social enterprise, partnerships also exist between governments and organizations, governments and businesses, or organizations and businesses in order to create a program that drives social or financial impact to a community.

Patent Licenses: In general, licensing is the sharing of a protected invention in exchange for cash, and governed by an agreed upon set of rules/terms-of-use. When a business or an individual is granted a patent, they can elect to license the use of their invention/creation to other businesses or individuals who have products that could benefit from the innovation. Patents are granted for the design and/or utility of products and services.

Pay-As-You-go: The pay-as-you-go business model is an option that allows the customer to pay for a resource or utility as they use it. The specific fee directly corresponds to the consumer's relative usage of the resource or utility. *T-Mobile.*

Pay-for-Performance: A revenue model in the professional services industry in which a consultant or specialist is paid a rate that directly corresponds to the success of the work's outcome.

Payroll Tax: Taxes imposed on employers that are most commonly calculated based upon a percentage of an employee's salary. Payroll taxes often consist of

both a deduction from an employee's wage as well as an additional contribution from an employer, based on the employee's wage. *Public Sector*

Paywall: Commonly leveraged in conjunction with the "Freemium" model, a paywall is a standardized moment in an experience, typically online, in which a user loses access to continuing their experience unless a fee is paid to the service-provider. *NY Times.*

Pay What You Want: A revenue model that requires the customer to determine the perceived value of the product or service they seek to purchase. Also known as "PWYW", the model is most commonly leveraged in the open-source software community, as well as the independent music industry, but has evolved to play a role in mainstream digital product commerce as well. *RadioHead's "In Rainbows", ActiveHours.*

Permits (Fees): In general, a permit, is sold and made available to individuals or businesses by a government in order to give authorization or consent to do something. This may take the form of a warrant, a certification, a sanction, or a license. *Public Sector*

Per-Use/Device Licensing: Per-Use/Device Licensing is a method of licensing in which the terms and financial commitment are determined by the amount of devices or use-cases the product will be leveraged in. For example, when purchasing a font, Graphic Designers are asked to determine the rate at checkout based on the amount of computers the font will be installed on. *MyFonts.Com.*

Policeteering: In "Police Shootings Won't Stop Unless We Also Stop Shaking Down Black People", author Jack Hitt sheds light on a revenue generating tactic leveraged by police forces in which citations are often given at an increased rate in low-income communities. According to Hitt, this is due to an increased chance of community members being incapable of paying the

citation on time, thus leading to even more fees (and revenue) for the singular incident. *Public Sector*

Pre-Order: A revenue and funding model in which a product or service is sold to the customer with the promise of future delivery. This model allows businesses to access capital for manufacturing costs.

Printing Money: Governments are the only institutions allowed to legally create currency, and print money. As a revenue model, printing money allows for the creation of new currency at-will. *Public Sector*

Privatization: When a government program is privatized, the program is sold to a new owner/operator, specifically an owner in the private sector, who becomes responsible for the management of the service, and who is capable of earning profit from its operations. *Public Sector*

Products: A general focus-area for a business' key offering which takes the form of a physical or digital product. A physical product requires shipment and manufacturing. A digital product is typically a piece of software (like a native or web app). Products are differentiated from Services in their ability to be replicable/passively distributed to consumers.

Prison Labor: Many public prisons require prisoners to participate in prison labor programs. As a result, governments are able to obtain access to low-or-no wage workers. The captive laborers are then "leased" in order to obtain revenue from businesses seeking the assistance of such laborers. *Public Sector*

Profit/Revenue-Share Program: An arrangement between two entities that allows them to share the profit or revenue on a pre-determined product, service, or program over an agreed upon period of time. To allow for social impact, this model is often leveraged in partnership between a non-profit/community-based cause and a business. However, this kind of program can also take place between two businesses for the sole purpose of generating more income.

Project/Flat Rate: A structure for paying for a service-provider's work. A Project/Flat Rate is written into an agreement which covers a set scope for a specific project or engagement in order to accomplish the goals of a project without needing to keep track of hours.

Property Tax: Tax levied by a government that the owner of a property (individual or business) is required to pay. The tax itself is levied by the governing authority of the jurisdiction in which the property happens to be located. As a result, this may take the

form of a payment to a national, regional, state, or other geographic region. *Public Sector*

Pyramid Scheme: A revenue model that recruits members for a massive sales team that, in turn, recruit and enroll additional members into the scheme in exchange for shared commission.

R

Rent (Real Estate): Income generated by leasing government-owned property to individuals, businesses, and/or developers and other institutions. *Public Sector*

Restricted Grants: A financial award that is given (most frequently) to a non-profit organization in a “restricted” manner. This is a gift that has contingencies which explicitly determine the use-case for the award in order to fund specific programs and initiatives.

Retail Commerce: Retail Commerce is a revenue model leveraged for the sale of physical products in a physical setting. The most common industry in which retail commerce thrives (as opposed to electronic commerce) is the fashion industry as well as the sale of large machinery such as automobiles. Retail Commerce requires a sales team as well as a physical storefront. *Nordstrom, Target.*

Retainer (Professional Services): A professional services agreement that secures a pre-determined amount of hours or output on a monthly, quarterly, or annual basis in order to reserve the time and ongoing efforts of a consultant.

Risk Sharing: Similar to insurance policies, a model in which a customer pays recurring fees in exchange for support at a greater scale in a time of need.

Royalty Fees: While a license fee is an upfront payment, a royalty fee is a recurring fee that is determined based upon a percentage of the sales or profit of the licensed item.

S

SaaS: SaaS (short for “Software as a Service”) is a method for licensing and delivering centrally hosted software to users on a subscription basis. SaaS is also referred to as “on-demand software”, and the Freemium and Membership/Subscription models are similar in structure.

Sales and Gross Receipts Tax: Tax on the sale of physical goods. Typically the law requires that the

seller of the good collects the taxes from the buyer at the point of purchase. *Public Sector*

Secondary Revenue/Revenue from Byproducts: Generating revenue from reselling/ upcycling scrap, byproducts or waste. Or even perhaps by offering consulting services around the product/service company’s best practices.

Services: A general focus-area for a business’ key offering which takes the form of a time-based/skills-based engagement/experience. Most commonly, services are offered in the form of consulting or home improvement/repairs. Services are differentiated from Products in their in-ability to be passively distributed to consumers. As a result, each engagement greatly differs from the previous.

Service for Equity: A payment term in which ownership stake in a business serves as payment for a product or service.

Social Enterprise (For-Profit): For a for-profit company, social enterprise is an opportunity to make giving back a priority for a business and a brand. As a result, a for-profit social enterprise is a business that hold profit and impact in the same regard/metric for success. verynice defines a social enterprise as a business that focuses at least half of its time/energy on impact.

Social Enterprise (Non-Profit): For a non-profit organization, the leverage of social enterprise is distinctive from traditional financial and operational strategies as it allows the organization to design unique methods for revenue generation that think beyond the traditional avenues of grant-making and/or fundraising campaigns and public donation requests.

Special Event Services: The use of government land/ property for special events, or the use of government resources and staff for the facilitation and production/ assurance of safety for a special event. *Public Sector*

Sponsorship: An agreement between two organizations/ businesses in which one of the organizations/businesses will sponsor/support the other via the donation of necessary good/services/cash in exchange for public recognition.

Surveillance Capitalism: The exchange of personal data for use of a free product or service. *Facebook*

T

Tips: Typically seen in the service industry (especially in restaurants and hospitality), a tip is a bonus paid to a company's employee directly from the consumer.

Toll Roads: The opposite of freeways, a toll road (also known as a turnpike or a tollway) is a road that drivers are required to pay in order to use/traverse. Revenue generated from toll roads is most commonly leveraged to help cover the cost of construction and maintenance. [Public Sector](#)

Trademark Licenses: When a business or an individual is granted a trademark, they can elect to license the use of their creation to other businesses or individuals who have products that could benefit from the content. Trademarks are granted for graphic designs, illustrations and artwork, and written copy/taglines.

Transient Occupancy Tax: Charged in most states, a transient occupancy tax takes place when a traveler is renting an accommodation. These accommodations may include a room, rooms, or entire home/other living space in a hotel, inn, or other place of lodging. [Public Sector](#)

U

Unrestricted Grants: A financial award that is given (most frequently) to a non-profit organization in an "unrestricted" manner. This is a gift that has no contingencies, and as a result, the recipient of said award has the freedom to invest the contribution in any program/initiative/overhead they desire.

V

Venture Capital (Funding Model): Venture Capital is a method for funding and private equity in which small and early stage initiatives with high growth potential exchange equity in the business in exchange for capital and other resources from a firm.

W

Waste Management: The process, and management of all activities required to dispose of garbage, sewage, and all other waste products. Waste Management includes the collection, transportation, and treatment of these waste products for a fee. Consider also: Recycling (26a), Industrial Composting (26b). [Public Sector](#)

Water, Power, Utilities: Most commonly, fees for water, power, or other utilities, are paid to the government on a monthly or bi-monthly basis in exchange for necessary resources. [Public Sector](#)

Wholesale Purchases: Made available via Wholesale districts, outlet malls, and bulk retail, a wholesale purchase allows a retail store or distributor to access a high quantity of goods for a rate that is discounted thanks to the bulk order.

Impact Models:

An impact model is a method for creating sustainable impact on people and the planet. The models presented here are actively used in the private, public, and social sectors.

#

1-1-1 Model: A commitment to donate 1% of profit, 1% of time, and 1% of products. *Salesforce*

1% for the planet: A commitment made by businesses to donate at least 1% of all profits to environmental causes. Aside from engaging in philanthropy on a micro-level, the model allows businesses to engage with like-minded colleagues for potential networking and collaboration. *RA Partners, Patagonia, New Outlook Financial.*

20% Time: A work-flow/time-management model in which the staff members are encouraged to allocate a percentage (in this case 20%) of their time toward independent projects of their choice. This model was popularized by Google as a method for encouraging intrapreneurial endeavors within a large organization. *Google.*

100% Profit/Revenue: A model in which a company in the service or product-oriented business space donates 100% of their profits or revenues on a yearly, quarterly, or more frequent basis. This is most common amongst non-profit organizations or private foundations, but has been leveraged in the private sector, historically. *Charity Water, Newman's Own.*

A

Access to Education: Products/services/initiatives/programs with the specific purpose to make education and personal development more accessible and enjoyable for their end users. *Leap Frog, No Right Brain Left Behind.*

Affordable Housing Initiatives: The development or management of housing supply for community members that meet a specific profile, or showcase a specific need (most commonly evaluated based upon household income). *Public Sector*

Agricultural Subsidies: An agricultural subsidy is a governmental subsidy paid to farmers and agribusinesses to supplement their income, manage the supply of agricultural commodities, and influence the cost and supply of such commodities. *Public Sector*

Animal Welfare: Businesses that develop products and/or services with the specific purpose of preserving and protecting the livelihood of our animals OR a business that executes upon best practices in Animal Welfare in order to ensure animals are not harmed or mistreated in the development of their products/services. *Mercy For Animals, UnCaged Network.*

B

Barter Economy: An exchange of goods and services for other goods and services perceived to be of equal value.

Biodiversity Protection: Products or services that help preserve and replenish biodiversity. *WWF.*

C

Child, Forced, or Compulsory Labor: Products or services that track and eliminate child, forced or compulsory labor. *BSI Group's Trafficking & Supply Chain Slavery Patterns Index.*

Civic/Social Incubator or Accelerator: A specialized program that provides the training and resources required to assist entrepreneurs in the development/launch of a product or service that creates social, civic, or environmental impact. *Catapult, AshokaU, Singularity University, Code for America.*

Commitment to Diversity: Businesses and organizations that prioritize diversity by providing equal access to opportunities, and striving for inclusivity.

Common Core: A government program that mandates a set of standards in curriculum development, for use in the public class rooms in order to ensure that students are meeting predetermined criteria. *Public Sector*

Conditional Discounts: A model that rewards customers at an online or brick and mortar establishment for good behavior/acts of kindness or heroism in order to incentive social impact *Hummus Bar.*

Conscious Sourcing: Products that are manufactured/developed from materials that are consciously sourced in order to protect rare/endangered materials/environments and animals.. *Buy the Change.*

Cooperative: Cooperatives represent a voluntary group of people who work together to share mutual benefits. Cooperatives are often categorized in three ways: consumer, worker, and housing. A consumer cooperative is a business or organization that is owned by the people who use the services. A worker cooperative is a business or organization that is owned by the people who work for the company. A housing cooperative is a business or organization that is owned by the people who live in the space itself. Aside from ownership, cooperatives also tend to have their own unique mission/vision which the community they create hopes to accomplish/represent. *United states Federation of Worker Cooperatives, Raiffeisen, Rochdale Society of Equitable Pioneers.*

Corporate Social Responsibility: An approach to marketing and human resources development leveraged by larger corporations in order to promote and inform their charitable donations while also engaging the general public as well as staff in the effort to be socially responsible to the global and local communities they serve. *GOOD Corps, KFC, Pepsi, Enso.*

Coworking: A growing alternative to dedicated office space for freelance economy practitioners and small businesses that is also commonly referred to as “shared work space”. Often found in urban environments, co-working spaces allow for collaboration and networking, and lower the cost of business operations for entrepreneurs. *Impact HUB, WeWork, Cross Campus, Co+Hoots.*

Cradle-to-Cradle Products: Products designed such that once consumed they are easily collected, segregated and converted to new products. *Aluminum cans.*

Creative Commons: A public copyright license that allows for work that would otherwise be copyrighted to be made publicly available

Critical Thinking: Businesses that employ critical thinking as pertains government regulations. Specifically notable of restaurants and stores who maintain stronger safety protocols than required of them.

Crowd De-Funding: A mass movement among consumers to protest or boycott to the greatest extent possible, businesses that are making a negative environmental or social impact. *Public response to UBER's Surge Pricing at the JFK airport post-travel ban.*

CSR reporting – Automated reporting products or services to enable communication of sustainability

practices in a manner of improving transparency and accountability. *Measurabl, Clean Agency.*

Customer Safety - Products or services that inform, enhance and sustain customer safety. *Xerox Corp.*

D

Digitization: Providing resources that would otherwise be only available in print in a digital format for my easy access.

Durational Generosity: An impact model in which a business donates a large percentage of sales, profit, goods, or services, for a set period of time. *Patagonia's Black Friday Campaign.*

E

Earn and Learn: Providing users with simple learning tasks that are incentivized with payment.

Effluent and Waste Control: Products or operations that focus on controlling and managing effluents and waste. *MDGBio.*

Emissions Reduction: Technology or products that manage or emit less GHG to fight climate change. *Vehicle lightweighting technology, carbon capture and storage.*

Emergency Distribution Pivot: The temporary pivoting of distribution resources and networks for alternative use based on need. *For example, Amazon's involvement in COVID-19 vaccine distribution.*

Emergency Manufacturing Pivot: The temporary pivoting of manufacturing and material resources for alternative use based on need. *For example, face masks manufactured by New Balance during COVID-19.*

Emergency Relief: Government or corporate funds allocated in emergency situations for specific use.

Employee Engagement Programs: Businesses that pay special attention to employee engagement and benefits including paid time off to volunteer, profit-share, or flexible work environments that nurture personal development. *Zappos, Ben & Jerry's, Alvarado Street Bakery.*

Employee-Owned Enterprise: A business that empowers its staff through the sharing of stock or equity of the business across all, or select staff members.

Enable Transparency: Products or services that enable, promote and document transparency in sustainability actions. *CDP, GRI.*

Energy Efficiency: Products that reduce emissions through improved efficiencies. *Energy star products.*

Environmental impact Assessments: Products or services that measure and devise strategies to manage environmental impacts. *Simapro.*

ESG Investing: Investments made into companies that take materially significant environmental, social, and governance actions, not out of the kindness of their heart, but because they lead to greater long term growth. *Morgan Stanley Institute for Sustainable Investing.*

Ethics and Integrity: Services or certifications recognizing and promoting ethical practices. *Ethisphere Institute.*

Extended Sick Day Option: Extending sick days for staff in times of crisis or severe illness.

F

Family Legacy: Family Legacy is a Model of Impact and common motivator for many entrepreneurs, especially family-owned-and operated businesses. With an emphasis on designing a business that has the capability of being passed down through the generations, this Model of Impact is driven by long-term planning and succession strategies.

Fair Trade: A social movement in which members advocate for higher prices to exporters of goods as well as higher environmental standards. This Model of Impact is especially relevant for producers who work with developing countries, but has been implemented/ advocated for in privileged nations as well. *Fair Trade USA.*

Farm to Table: A Model of Impact in the food industry, specifically leveraged by restaurants, in which the proprietor of an establishment will consciously direct his/ her purchases toward local farmers in order to reduce footprint while simultaneously supporting the local economy. *Chapel Hill Farms.*

Financial Reparation: Payment of funds in recognition of harms caused directly or indirectly to a particular individual or protected class.

Food Stamps: Vouchers/"stamps" that are issued by the government to low income individuals and families, exchanged for food in select stores, farmers' markets, and restaurants. *Public Sector*

Foregone Executive Salary: The temporary freeze or reduction of executive salaries in times of crisis, in an effort to minimize staff layoffs.

Foreign Relations/Diplomacy: Direct relationship management by the government with foreign governments, agencies, and institutions. The result of this relationship management, and any subsequent policy dealings and/or decisions are considered foreign relations. Most commonly foreign relations are in the interest of peace, collaboration, aid, and/or trade. *Public Sector*

Free WiFi/Network Access: An initiative by a local government that provides access to the internet at no cost. Free WiFi/Network Access programs are frequently launched for safety and/or convenience and recreation in public areas. *Public Sector*

G

Generating Indirect Economic Impacts: A model in which a business's products or services also enable infrastructure or community development. *CocaCola's water stewardship and community development programs.*

Gift Economy: A gift economy is a method for exchange in which goods/services are not traded or sold, but instead provided as gifts without expectation for immediate or future rewards. *Burning Man.*

Give-Half Profit/Revenue: A model in which a company in the service or product-oriented business space donates 50% of their profits or revenues on a yearly, quarterly, or more frequent basis. *Latitude, Bridgeway Capital Management.*

Give Half Services: A model that allows service-providers to increase company bandwidth while simultaneously lowering overall company overhead in order to allocate time and resources toward a 50% pro-bono commitment. *verynice, No Typical Moments, Impact Rising, Photon Factory.*

Give Some Services: Businesses in the service-oriented business space that occasionally offer pro-bono services, but do not have a standardized/institutionalized amount of time or resources allocated. *Deloitte, Bain and Company.*

Glocalization: Especially prevalent amongst web 2.0 companies, the concept of “glocalization”, or “glocal” speaks to the intersection between trends/needs/innovations that take place on a regional level with the growth of global corporations and globalism. *McDonalds.*

Green Products: A model developing and manufacturing essential products that are designed to combat relevant environmental issues. *method, RePEaT, Tesla.*

I

Impact Investing: Investments made into companies, organizations, and individuals with the intention of creating both a financial and social/environmental impact. Impact Investing typically focuses on emerging markets. *Girls Helping Girls, New Incentives (Syetha Janumpalli), Imprint Capital.*

Impact Investment Circles: A group of people (most commonly an official “board”) that donates to a pool of money each month in order to collectively donate or invest in a unique cause or initiative. *Awesome Foundation.*

Incentive Prize/Competition: Competition that awards a cash (and/or other benefit) prize for the accomplishment of a feat that offers significant potential for impact, often of engineering. *X-Prize.*

Intermediary Pro-Bono/Volunteerism Platforms: An organization that serves as a connecting point between service providers or volunteers and organizations or communities in need. *Taproot Foundation, Catchafire, MobileWorks, Volunteer Match.*

Irregular Contributions: Irregular contributions are donations made throughout the year by businesses that are not necessarily donated in proportion to the revenue/profit from that year. *Kroger, Wall-Mart, Wells Fargo, Bank of America.*

J

Jobs for Developing Countries: Products and/or services that are manufactured/offered in a manner that allows the business to create jobs in developing countries. Cross-over exists between “transitional communities” and “developing countries” when the glossary is taken out of the context of business in the United States, or other privileged nations. *SHE, Apolis.*

Jobs for the Disabled: Products and/or services that are manufactured/offered in a manner that allows the business to employ a workforce that is faced with

medical/health issues. *Celebrate Autism, Rising Tide Car Wash.*

Jobs for Transitional Communities: Products and/or services that are manufactured/offered in a manner that allows the business to employ a workforce that is in transition. *Would-Works, Homeboy Industries.*

Jury Service: Considered one of the highest duties of citizenship, Jury Service calls for a direct involvement in the justice system, and in the administration of justice. Jury Service is mandatory, and as a result, when a citizen is summoned for service, they must appear before the court in order to join a panel of peers. *Public Sector*

L

Labor Grievances: Products or services that track and tackle labor issues. *Labor Link App.*

Loaned Employee Program: A program, typically leveraged by large companies, in which employees are “loaned” for a temporary/pre-determined period of time to a non-profit organization in order to complete a project or solve an organizational problem from an outsider perspective. Loaned employee programs can also take place over a shorter time period in the form of a mentorship or tutoring program for children, students, and/or communities in need. *PWC, Microsoft, IBM.*

Local Community Engagement: Services that initiate engagement and education with local communities. *Breakthrough India.*

Local Jobs: Products and/or services that are manufactured/offered in a manner that allows the business to create jobs in local communities. *Caduceus Cellars.*

M

Managing Sustainability Risks: Products or services that measure and manage sustainability risks and opportunities. *WRI, Clean Agency.*

Material Efficiency: Products or operations designed to consume less resources (plastic/ water/ fabrics etc) or use alternate eco-friendly resources. *Reformation.*

Medicare/Medicaid: Government health care initiatives that aim to curb spending while expanding and improving access to care through additional regulations and taxes. *Public Sector*

Micro-Lending: Also known as micro-credit. This is a form of financing that allows the general public and private institutions to distribute very small loans to impoverished borrowers who typically lack collateral and a credit history that is verifiable. *Kiva, Grameen Bank, MicroEnsure.*

N

Nature + Water Preservation: Businesses that develop products and/or services with the specific purpose of preserving and protecting our environment as well as our water resources. *Keep Tahoe Blue, Save the Redwoods.*

Non Skills-Based Volunteerism: A program, typically leveraged by large companies, in which employees are invited to join an expedition to give back to their community in a non skills-based approach (for example cleaning a beach). *Sony, Target, Disney.*

O

Occupational Health and Safety: Services or certifications that promote and check occupational health and safety. *OSHA Standards.*

Offset Programs: Models that offer carbon offset programs to companies and individuals. *Tree People, CoolEffect.*

One for One: A model that allows customers to purchase a product that additionally sponsors a product of equal or lesser value to be sent to individuals/communities/organizations in need. *TOMS, One Laptop Per Child, BOGO Bowl.*

One Plus One: A model in which businesses commit 1% of inventory and 1% of profits OR revenues to a cause of choice or to individuals/communities/organizations in need. *Harry's.*

Open Data: A public initiative lead by several governments in the United States in order to make data about the region(s) they serve more accessible to the general public in order to inspire innovation and empathy for local concerns. *City of Los Angeles, City of San Francisco.*

Open Source Products (Hardware/Software): Products that are typically available for free or for low cost that allow the end users to build upon an existing framework in order to develop new solutions that can scale across industry or region. *Processing, Thingiverse, Arduino.*

Open Source (services): Services and research findings or methodologies that have been made openly available for all individuals/companies/organizations to use freely. *Vera Solutions, OneDegree, FSG.*

P

Paperless Office: Services/offerings that pay special attention to the reduction of paper waste throughout an engagement. *Efficient Technology Inc., Quickforms, Paychex.*

Parallel Offerings: A business that offers the same exact services/goods at separate locations that allow the business to reach communities of affluence, and low-income communities. Typically, the patrons of the low-income location receive the goods/services at a low cost, thanks to the more affluent location's full-price offering serving as a subsidy to enable the discounted rates. *Everytable.*

Pay What You Want On Top Of What We Want: An extension of the Pay What You Want Model, this model sets a base rate for a good or service, and then provides the consumer the option to pay an additional fee in order to benefit a social or environmental cause.

Peer-to-Peer Lending/Donations: Similar to crowd-funding, Peer-to-Peer Lending/Donations (also known as "P2P" Lending/Donations), the model allows a group of people to donate and/or lend money to a friend in need. Unlike crowd-funding, the P2P Lending/Donations model does not have an emphasis on the funding of entrepreneurial pursuits, but instead for crisis-oriented needs. *GoFundMe.*

Percentage Inventory Donated: A model in which businesses dedicate a set percentage of their inventory to be donated to individuals/ communities/organizations in need. *Microsoft, Kraft Foods, Google, Marriott International, Pfizer.*

Percentage of Profit/Revenue: A model in which a company in the service or product-oriented business space donates a pre-determined percentage of their profits or revenues on a yearly, quarterly, or more frequent basis. *Product Red, Big Wheel Brigade.*

Personal Development: Personal Development is a Model of Impact that allows the owner of a lifestyle enterprise or the consumer of a small or large business to develop themselves on a personal level via the accumulation of necessary skills or experiences to aid the advancement of their career/life.

Personal Wealth: Personal Wealth is a Model of Impact and common motivator for many entrepreneurs and independent professionals. By creating multiple revenue streams, and by defining a structure for passive income, individuals can achieve personal wealth.

Postal Service: Also simply referred to as a Post Office, the Postal Service is a public department or corporation responsible for mail services and (in some countries) telecommunications. [Public Sector](#)

Product to Benefit Low Income: Businesses that develop products with the specific purpose of assisting those in low-income/under-served communities. [Delight Hearing Aids](#).

Product for Medical/Health Benefit: Businesses that develop products with the specific purpose to alleviate medical/health stress for their end users. [Jerry the Bear](#), [Medic Mobile](#), [SwipeSense](#).

Product for Service/Access: Products that subsidize access to important services for individuals/communities/organizations in need. Often described as the necessary revision to the infamous “one for one” model. [Stone + Cloth](#), [re:char](#), [LSTN Headphones](#).

Product for Use in Developing Countries: Businesses that develop products with the specific purpose of assisting those in developing countries. [D.Light Design](#), [SolSource](#), [Off.Grid:Electric](#), [SHE](#).

Promoting Creativity: Businesses that develop products and services with the specific purpose to promote creativity and innovation for their end users. These users can be companies as a whole, or individuals. As a service, this often takes the form of creative workshops. As a product, this often takes the form of books, toolkits, or other materials for making. [Crayola](#), [Lego](#).

Policy Support: Services that enable informing public policy around environmental/ social risks. [EPA](#), [WRI](#).

Pro-Bono Marathons: Also known as “done in a day.” A model in which service-providers undertake a pro-bono project in one intensive session that typically lasts for 24 hours and leverages all human resources for that day to maximize impact. [Global Service Jam](#), [CreateAthon](#).

Pro-Bono Publico: Literally means “for the good of the public”. A type of philanthropy in which businesses provide their time and knowledge at no cost to the beneficiary. Originally found in the legal industry in the late 1800s, pro-bono has grown to engage a diverse range of disciplines/industries in the service-oriented business space in in-kind philanthropy. [verynice](#), [Taproot Foundation](#), [HP](#).

Public Art: Government programs that develop products/services/initiatives with the specific purpose to promote creativity and innovation for their community. This often takes the form of a public art installation (temporary or permanent), but can also be fulfilled by way of public events that celebrate the arts. [Public Sector](#)

Public Broadcasting: Select channels and local news networks and television programming that is reserved for the dissemination of public information, Public Service Announcements (PSAs), and community-developed/influenced content. [Public Sector](#)

Public Parks: The building and maintenance of public parks, most commonly by the office of parks and recreation. Public parks also include a range of more specific impact models. *Consider also: Placemaking, Fitness, Economic/Community Development, and other public initiatives such as Nature and Historical Landmark Conservation/Preservation.* [Public Sector](#)

Public/Private Partnerships: Partnerships can take place in a wide range of contexts depending on the agenda and formality of the partnership. For a business, a partnership can be as formal as a split in day-to-day operations, or as informal as a one-off partnership for a product or event between two businesses, two individuals, or a business and an individual. In social enterprise, partnerships also exist between governments and organizations, governments and businesses, or organizations and businesses in order to create a program that drives social or financial impact to a community. [Public Sector](#)

Public Safety: The priority of ensuring the wellbeing of the community, by creating institutions, initiatives and task forces that promote safety and lower crime-rates. *Consider also: Military, Fire Protection, TSA/FAA, FDA/SEC, Police, Homeland Security, Emergency Medical Services.* [Public Sector](#)

Public Services: A general impact model that is comprised of public services offered by the government to people living within its jurisdiction. The services are either offered directly to the people by way of the public sector and local initiatives/programs, or indirectly through financing provision of services. [Public Sector](#)

R

Recycle/Upcycle: Products that are created from recycled materials OR products that are created from previously discarded materials. Also a model that can exist when a business or individual participates in, and

advocates for, sustainable practices in the work place or home. *Terracycle, Hipcycle, KEEN, Atayne.*

Renewable Energy: Products that provide energy solutions and decrease our dependence on fossil fuels. *Solar City.*

Responsible Sourcing: Products that are manufactured/developed from materials that are consciously and responsibly sourced in order to protect rare/ endangered materials/ environments and animals. *Buy the Change.*

Round-Up for Good: An option provided by companies in the physical or digital (eCommerce) space in which consumers are given the option to round up their purchase to the nearest dollar in order to allow the company to donate the difference to a selected charity. *GoDaddy.*

S

Sharing Economy: A collaborative economy that is built around the concept of sharing physical or intellectual resources between peers. *Burning Man, Task Rabbit, Uber, Lyft, Airbnb, Good Things Everywhere.*

Sliding Scale Cost: Products that are made available by companies at a sliding scale cost, which allows certain markets to subsidize those in need through their purchases. *South Central Farmers Organic Cooperative, Clifton's Cafeteria.*

Sliding Scale Rates: Rates for services that are defined by a company/practitioner on a sliding scale basis, which allows certain markets to subsidize those in need through their purchases. Often described as "partial pro-bono". *Planned Parenthood.*

Social Action: A business in the service or product-oriented business space that is dedicated to inventing products or delivering services that inspire action around a significant cause or issue. *Change.org, Thunderclap, Amicus.*

Social Awareness: A business in the service or product-oriented business space that is dedicated to inventing products or delivering services that raise awareness around a significant cause or issue. *Sevensly, Falling Whistles, KONY (Invisible Children), Buena Nota.*

Social Impact Bonds: A contract with the public sector in which a commitment is made to fund improvements in exchange for social outcomes that ultimately result in savings for the public sector. *Goldman Sachs, Social Finance UK.*

Social Security: In general, social security refers to any government system that provides monetary assistance to people with either low, or no, income. In the US, social security can refer to the assistance provided to retirees from the government. *Public Sector*

Stakeholder Engagement: Services that enable stakeholder assessment, education, engagement or collaboration in order to bring about sustainable actions. *Clean Agency, Brown Flynn.*

Supplier Environmental Assessment: Services that audit, provide certifications or support meeting environmental/ social regulations of suppliers. *Fair Trade, SCS Certifications.*

T

Temporary Raises: Businesses that provide hourly workers with a temporary raise in times of emergency or high risk/stress.

The 1% Program: A business model popularized in the architecture discipline in which firms make a commitment to donate 1% of all time/resources toward pro-bono projects to better the community. *Gensler, Cannon Architects.*

The 100% Model: A model leveraged by non-profit organizations that allows all public donations to be invested in the cause/work of an organization as opposed to the overhead/operating costs. This is made possible through a distinguished committee/board that has committed to underwriting all operating costs for an organization. *Charity Water, Dig Deep, Project Hope Worldwide, World of Children Award.*

Transparent product labeling & communication: Standards and services that enable transparent communications on products and packaging. *FTC, Fair Trade, SPC.*

Transportation: The building and maintenance of public transportation including roadways as well as a diverse array of transportation modes such as light rails, buses, trains, and other vehicles. *Consider also: Bike-Share Programs. Public Sector*

U

Unemployment Benefit: Unemployment benefits consist of public assistance and compensation for people who are currently unemployed, specifically under no fault of their own. Most commonly, this loss of job is due to layoffs or retrenchment. *Public Sector*

Unions: A labor union is a unified group of workers who join forces in order to increase the impact of their voice and opinions in the workplace. Unions are often formed and supported in order to increase the quality of safety and benefits in the workplace. [Public Sector](#)

Universal Basic Income: A guaranteed income with little-to-no assumed obligations, or “strings” attached. Many believe the implementation of a Universal Basic Income, or UBI, to be necessary as automation and machine learning continues to grow and displace workers. [Public Sector](#)

Universal Healthcare: A government program that guarantees access to fully-subsidized healthcare, typically funded and maintained through an increased tax contribution. [Public Sector](#)

V

Veterans Administration: The Department of Veterans Affairs (also known as “VA”) exists in order to provide veterans in the United States with essential services including health care, and other benefits programs. The VA also provides access to national cemeteries for former military personnel and their immediate family (dependents). [Public Sector](#)

W

Water Efficiency: Products that improve water use efficiency. [Droplet](#).

Water Quality: Operations or products designed to preserve or improve water discharge quality. [Levi's operations](#).

WFH Stipend: Companies that provide employees with a stipend to work-from-home.

Have Something to Add?

The Models of Impact glossary is an ongoing initiative to collect cutting edge revenue and impact models. If you think we are missing one, please send us an email with the name and definition to info@verynice.co for consideration.